

EXHIBIT 14

MANAGEMENT PLAN TEMPLATE

This template is a guide for HOME Grantees to use in creating a plan for project start-up, initial grant management, and ongoing project management. The purpose of the management plan is to create a written strategy for administering the grant funds, to ensure knowledge of and compliance with HOME requirements and regulations, and to ensure the continuity of program administration regardless of changes in the organization's personnel.

Instructions: Complete Parts I, II, and III of the Management Plan Template.

PART I – GRANT ADMINISTRATION AND PROJECT START-UP

This part presents the steps all Grantees must take to receive and manage HOME funds, regardless of the type of program.

PROGRAM DESCRIPTION

- Provide a brief description of the project including the type of program, the number of units/homes to be impacted, and the target population of the program.
- Describe the program area (boundaries).
- Define the type(s) of HOME subsidy to be provided to project(s).
- What is the amount of subsidy for the project per unit? **(See Application Guidelines, Sections III.D, IV.A.5. and IV.B.1.)**
- Identify whom the program will target. Describe how HOME income-targeting requirements will be met. **(See Application Guidelines, Sections IV.A.1. and IV.B.1.)**
- Define the period of long-term affordability. Describe how it will be enforced: through deed restrictions, covenants running with the land or another HOME-approved mechanism. **(See Application Guidelines, Section III.C.)**
- If the project is mixed use and/or mixed income, describe the mix and how it meets HOME requirements. **(See Application Guidelines, Sections IV.A.3. and 4.)**

CERTIFICATIONS, PLANS, POLICIES, AND RESOLUTIONS

- Provide the dates on which the following resolutions/policies were passed:
 - Hatch Act Resolution (*applies to local governments only*);
 - Equal Employment Opportunity (EEO)/Nondiscrimination Policy;
 - Drug Free Workplace Policy;
 - Fair Housing Resolution; and
 - Section 504 and ADA Compliance Procedures
- Describe where Equal Employment Opportunity Posters are displayed in the Grantee's workplace.
- Provide a copy of a combined resolution to accept the HOME grant, authorize all funding and appropriate funding to the program. *(Note: This is provided after the grant award.)*

ORGANIZATIONAL STRUCTURE OF GRANT MANAGEMENT TEAM

- Describe how the grant will be managed.
- Describe the responsibilities your governing body (e.g., city council, board of county commissioners, nonprofit board of directors, etc.) will have in managing the grant.
- Identify your Attorney and describe his/her responsibilities.
- Identify who will be responsible for Set-up and Payment Request Forms, Progress and Close-out Reports, and other grant management and project activities.
- If you have a Housing Advisory Board, identify the members, describe how the Board is structured, and describe the Board's duties and responsibilities.
 - Include names, titles and phone numbers for the Housing Advisory Board members.

FINANCIAL MANAGEMENT

- Describe how the HOME funds will be organized and managed. Include a description of the accounts that will be used to receive and disburse HOME funds.
- Identify the accounting and management system that will be used (e.g., most local governments use the Budgetary Accounting and Reporting System [BARS])
- Describe the procedures that will be followed for reviewing and approving expenditures, requesting funds, receiving HOME funds and processing payments. **NOTE: HOME funds must be completely expended within 15 days; any funds remaining after 15 days must be returned to the HOME Program.**
- Identify who will be responsible for maintaining the required financial records and processing of HOME funds. Include the name(s), title(s) and phone number(s) of key person(s).
- Describe the role the governing body (e.g., city council, board of county commissioners, nonprofit board of directors, etc.) plays in approving expenditures for the HOME Program.

PROJECT IMPLEMENTATION SCHEDULE

- Provide a narrative description to accompany the Implementation Schedule from the [Uniform Application](#).
- Identify activities that were performed before submittal of application. Identify the major activities planned for the proposed project.
- Explain how will you ensure a contract with MDOC has been signed within 4 months after the grant is awarded; funds are released within 6 months; and all funds are spent within 24 months from the date the MDOC Director signs the contract.

NON-DISCRIMINATION / EQUAL HOUSING AND EMPLOYMENT / CIVIL RIGHTS RULES

- Identify who will be responsible for monitoring/enforcing non-discrimination, equal housing and civil rights rules. Describe how the rules will be applied to the project. Specifically address the following requirements:
 - Furthering Fair Housing.
 - Avoiding discrimination in advertising and leasing.
 - Ensuring accessibility to programs as defined by Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Act.

- Identify who will be responsible for monitoring/enforcing Equal Employment Opportunity (EEO) rules. Describe how the rules will be applied to the project.
- Describe how minorities, women, and their businesses will be included in project implementation. **(See Application Guidelines, Section III.M.)**
- Projects involving 5 or more HOME-assisted units (excluding TBRA projects) must have an approved Affirmative Fair Housing Marketing (AFHM) Plan as required by HUD. Describe what entity will develop and implement the AFHM Plan during project development and through the required period of affordability. **(See [Chapter 5](#) and Exhibits [5-K](#) and [5-L](#) of the HOME Administration Manual for more information).**

ENVIRONMENTAL REQUIREMENTS

Environmental Review

- Describe the process you will use to ensure environmental requirements are met. Identify the Environmental Certifying Officer (ECO). Is that person an elected official? If not, provide a copy of an official resolution that has been passed designating a non-elected position in the local government as having the ECO responsibilities. Identify who will conduct the environmental review. (Note: The person conducting the environmental review should not be the ECO.) Identify who will produce the Environmental Review Record (ERR). **(See Application Guidelines, Section III.K., and [Chapter 2](#) of the HOME Administration Manual)**
- Identify who will guarantee compliance with Historic Preservation requirements. Do you have a programmatic agreement with the State Historic Preservation Office (SHPO)? Explain.
- If the applicant has an option agreement on a proposed site or property, provide a copy of the option. **Note: The option agreement must stipulate that the purchase of the property is subject to successful completion of the environmental review.**

Flood Plain

- Address flood plain requirements. Is the HOME-assisted property within the flood plain, as identified by the Federal Emergency Management Agency? If it is within the floodplain or is anticipated to be, describe how you will ensure federal floodplain requirements will be met. **(See [Chapter 2](#) of the HOME Administration Manual for more information)**

Lead-Based Paint

- Describe how you will comply with the Lead-Based Poisoning Prevention Act and implementing the HUD lead-based paint (LBP) regulations for properties built before January 1, 1978. Identify who is responsible for notification and disclosure requirements, distributing appropriate brochures to all tenants or homeowners, disclosing any known presence of lead-based paint to prospective homebuyers, and providing notice of evaluation or hazard reduction. **(See Application Guidelines, Section III.L, Exhibit 6, and Exhibit 7, and [Chapter 2](#) of the HOME Administration Manual)**
- If applicable, identify who will be responsible for reducing/abating lead-based paint hazards, and provide a brief summary of how these activities will be accomplished.
- Identify who will be responsible for responding to a child with an elevated blood lead level.

OTHER REQUIREMENTS

Conflict of Interest

- Identify who will be responsible for identifying and resolving conflicts of interest. Describe how any potential conflicts of interest in project participation and implementation will be identified and addressed. **(See Application Guidelines, Section III.Q.)**

Written Agreements

- If the project owner is/will be different from the Grantee in a rental project, the Grantee must have a written, legally binding Agreement with the project owner. The Agreement may be contingent upon the receipt of HOME funds. Provide a copy of the draft Agreement, at a minimum.

NOTE: The HOME Program Administration Manual is available online at:
http://housing.mt.gov/Hous_HM_Admin.asp

☐ Are you doing **SINGLE-FAMILY DEVELOPMENT**?
If YES, complete Section A

☐ Are you doing **MULTI-FAMILY NEW CONSTRUCTION**?
If YES, complete Section B.

☐ Are you doing **MULTI-FAMILY REHABILITATION**?
If YES, complete Section C.

☐ Are you doing **MULTI-FAMILY ACQUISITION**?
If YES, complete Section D.

☐ Are you doing **TENANT BASED RENTAL ASSISTANCE (TBRA)**?
If YES, complete Section E.

Section A

SINGLE-FAMILY DEVELOPMENT

Project Description

- Describe your project including the number of units to be built, average lot size, house size and style. Describe property amenities including open space, playgrounds or community buildings. Identify the area of the city or county in which the property is located, the surrounding land uses and its relationship to schools, commercial, recreation and employment centers.
- Identify the targeted sales price for each home. Explain how that compares to area median income. If you will also provide down payment or closing cost assistance, explain the process for providing assistance. Explain how you will ensure that you are not over-subsidizing a borrower, i.e., identify/explain the ratios or other methods you will employ. **(See Application Guidelines, Section IV.B.1.)**

Marketing Strategy

- Describe your target population, including who will use the program, where they will come from, and the size of the market. If the program targets a particular category of participants, identify who they are, i.e., first time homebuyers, elderly, or disabled persons.
- Describe your marketing plan to provide outreach to public housing residents and mobile home park residents.
- Describe present and future marketing activities for your program, i.e., your Affirmative Fair Housing Marketing (AFHM) Plan. Describe the methods you intend to use to reach your target market. If you will market your program to lenders and realtors, describe how you will accomplish that. Will you use ads in local papers, hold an open house, or distribute flyers at social service agencies and/or employers? Describe where/how else you will advertise. Describe how else you will spread the word about the program. **(See [Chapter 5](#) and Exhibits [5-K](#) and [5-L](#) of the HOME Administration Manual for more information).**
- Describe how non-discrimination and equal housing rules will be applied to the project in order to further Fair Housing, avoid discrimination in advertising and ensure accessibility to programs as defined by Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Act. **(See [Chapter 5](#) of the HOME Administration Manual for more information).**
- Describe the methods you will use to reach minority populations.
- Describe where applications will be available and how completed applications will be submitted.

Homebuyer/Homeowner Intake and Selection

- Describe the procedures and mechanisms for participant intake and selection, including how your organization will prioritize participants in your program. Will it be on a first-come first-served basis? Is it based on inquiry date or receipt of completed application? Are applications received on a rolling basis or are there deadlines? Is priority given to lower income households or to households in specific, targeted areas and/or populations?
- Describe how the development of this project will be managed and how the closing of home sales will be conducted. Include the timeline for screening and qualifying homebuyers, marketing and all critical activities to the point of selling the home.
- Describe the buyer's responsibility with respect to loan application and completion. Will it be the buyer's responsibility to complete and execute all loan applications, agreements and other required documents? Will you assist? Is there a period for completing applications?

- Describe the buyer's responsibility with respect to home search and negotiation. Will it be the buyer's responsibility to find an eligible property with respect to the program guidelines and negotiate a price for said property, which is below FHA 203(b) guidelines? **(See Application Guidelines, Section IV.B.1.)**
 - Describe the income restrictions. Define your income target. Explain how you define income. (HOME staff suggests using IRS adjusted gross income for single-family programs.) Describe how you will verify the family income.
 - Describe your grievance procedure for denied applicants.
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Homebuyer Workshops and Counseling

- Provide a detailed description of the homebuyer education and counseling services including an overview and explanation of homebuyer counseling programs, the presenters, the number of course hours, and the frequency of the course.
 - Describe your plan for providing credit repair and budget management for those households not yet able to qualify for mortgage financing. Identify how these services will be provided, including linkages with other agencies.
 - If you will provide on-going counseling services during the period of affordability, describe. Describe your policy on foreclosure prevention training and how it will be implemented to prevent possible defaults.
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Management of the Program

- Describe how you will maintain accurate files and records for each applicant, including names, address and the terms of the agreement.
 - Describe the terms of repayment of the HOME funds, i.e., will loans be deferred, will they earn interest, will they be forgiven after a certain time?
 - If the type of assistance is based upon income and ability to pay, explain how these will be determined.
 - Describe the method your organization will use to determine the amount of HOME funds each participant will receive. Provide an explicit description as to how down payment, closing cost, and rehabilitation amounts (as applicable) will be determined.
 - Describe the structure and detail of the project financing. Describe the special conditions/requirements of each source of financing. Describe how you will ensure compliance with HOME and other project financing requirements.
 - A properly recorded promissory note or deed restriction stipulating the terms of repayment of the HOME funds is essential. Describe the enforcement instrument that will be used and provide draft copies. Describe how you will ensure the enforcement instruments are recorded in a timely manner?
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Recapture or Resale Policy

- The Grantee must choose whether the resale or recapture option will be used to ensure affordability. If equity sharing is be used to prevent participants from making windfall profits at time of sale, explain/describe how the equity shares will be determined. **(See [Chapter 7](#) of the HOME Administration Manual for detailed information on recapture/resale for homebuyer assistance activities).**

- If choosing resale, explain how the seller will find another low-income person to purchase the home. If the Grantee will assist the seller in that process, describe. Describe how a fair return to the seller will be ensured. Describe how the Grantee will ensure the home will be affordable to a new low-income homebuyer. If the Grantee will maintain a right of first refusal, explain. (**Note:** If HOME funds are used for new construction, the resale option must be used.)
 - If choosing recapture, describe how a fair return to the seller will be ensured. Describe the policy if the sales price does not sufficiently cover any outstanding mortgage(s) and/or provide a fair return to the seller.
 - If using equity sharing with either the resale or the recapture option, explain how the equity will be divided between the seller and Grantee.
 - Note: The Program Income Plan must describe in detail how the Grantee will manage any recaptured funds or equity received by the Grantee.
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Program Implementation

- Describe how you will ensure that applicable state or local property standards and code requirements are met.
 - Define the maximum loan-to-value on all project debt. If there is a minimum loan-to-value to ensure that applicants are not over-subsidized, describe.
 - If there is a minimum homebuyer contribution, either a dollar amount or a percent of sales price, describe. Describe how you will ensure applicants make the maximum contribution possible, while using the HOME funds to fill the gap. Describe how you will ensure the applicant purchases appropriate, modest housing.
 - Describe how you will ensure the settlement statements reflect HOME funds contributed to the purchase.
 - Describe how you will ensure requirements of the Uniform Relocation Act are met, which includes ensuring the seller is informed of the property's appraised value.
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Lender Participation

- Describe the nature and form of involvement by lenders, such as private financial institutions and/or credit unions. If the lender will refer the buyer to your program, explain.
 - Describe the types of first mortgage financing that are anticipated to be used in conjunction with the HOME subsidy. Examples of first mortgage financing are conventional loans (including Fannie Mae and Freddie MAC affordable lending products), FHA, Rural Development, the Montana Board of Housing or any other specialized loan portfolio products. Describe how you will conduct lender outreach and education so they are informed about your programs. Describe how you will coordinate your program with existing first mortgage programs.
 - Describe what, if any, concessions you have been able to negotiate with private lenders to reduce some of the closing costs by lowering closing costs, origination fees, and points as well as arranging for bulk rates for appraisal, title, and legal fees.
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NOTE: The HOME Program Administration Manual is available online at:
http://housing.mt.gov/Hous_HM_Admin.asp

Section B
MULTI-FAMILY NEW CONSTRUCTION
(Complete ONLY if applicable)

Property and Accessibility Standards

- Describe how the appropriate property and accessibility standards be will met. Identify who will be responsible for ensuring compliance.
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Construction Requirements

- Identify person(s), including names, titles, and phone numbers, that will be responsible for the following:
 - Preparing any needed RFPs and evaluation criteria
 - Preparing contract documents
 - Requesting HOME review of appropriate documents
 - Advertising RFP and bid solicitations, including letters to minority- and women-owned business enterprises
 - Conducting debarment check on all contractors
 - Obtaining Architect's Accessibility and Property Standards Certification
 - Preparing bid package
 - Clearing plans through city zoning/planning office
 - Conducting bid opening
 - Conducting pre construction conference
 - Issuing Notice to Proceed
 - Conducting performance monitoring
 - Reviewing and approving change orders
 - Establishing procedure for contractor to submit payment requests
 - Obtaining Certificate of Completion
 - Obtaining lien waivers from contractor and subcontractors
 - Obtaining Certificate of Occupancy
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Davis-Bacon Requirements

- If the construction contract includes 12 or more HOME-assisted units, identify who will be designated as the Labor Standards Officer (LSO) to ensure compliance with Davis-Bacon Labor Standards. Include name(s), title(s) and phone number(s).
 - Explain the procedures how the LSO will ensure compliance with Davis-Bacon Labor Standards Describe the LSO's duties and responsibilities (See [Chapter 4](#) of the HOME Administration Manual for more information).
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Section C
MULTI-FAMILY REHABILITATION
(Complete ONLY if applicable)

Property and Accessibility Standards

- Describe how the appropriate property and accessibility standards will be met. Identify who will be responsible for ensuring compliance.
 - If housing is to be rehabilitated after transfer of ownership interest, describe who will be responsible for:
 - ensuring, before transfer of ownership interest, that:
 - the housing is inspected for defects that pose a danger to health
 - information is acquired on work needed to cure defects and meet property standards, including a time line;
 - ensuring the housing is free of defects before occupancy or not later than 6 months after transfer;
 - ensuring the housing meets property standards no later than two years after transfer of ownership interest.
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Davis-Bacon Requirements

- If the construction contract includes 12 or more HOME-assisted units, identify who will be designated as the Labor Standards Officer (LSO) to ensure compliance with Davis-Bacon Labor Standards. Include name(s), title(s) and phone number(s).
 - Explain the procedures how the LSO will ensure compliance with Davis-Bacon Labor Standards. Describe the LSO's duties and responsibilities. (See [Chapter 4](#) of the HOME Administration Manual for more information).
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Relocation Requirements

- If acquisition involves either temporary or permanent displacement of persons (families, individuals, businesses, non-profit organizations and farms), identify who will be responsible for ensuring the provisions of the Uniform Relocation Act (such as tenant notification) are met. Include name(s), title(s) and phone number(s).
 - Provide a copy of your relocation plan. (For information on Relocation requirements, see [Chapter 6](#) of the HOME Administration Manual)
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NOTE: The HOME Program Administration Manual is available online at:
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Section D
MULTI-FAMILY ACQUISITION
(Complete ONLY if applicable)

Property Standards

- If the HOME-assisted project is acquisition only, explain how the appropriate property standards will be met. Identify who will be responsible for ensuring compliance.
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Relocation Requirements

- If acquisition involves either temporary or permanent displacement of persons (families, individuals, businesses, non-profit organizations and farms), identify who will be responsible for ensuring the provisions of the Uniform Relocation Act (such as tenant notification) are met. Include name(s), title(s) and phone number(s).
 - Provide a copy of your relocation plan. (For information on Relocation requirements, see [Chapter 6](#) of the HOME Administration Manual)
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Voluntary Acquisition Requirements (See Application Guidelines, Section III.A.6. and [Chapter 6](#) of the HOME Administration Manual)

- If voluntary acquisition, the Grantee must:
 - Demonstrate that the acquiring party clearly advised owner that if an amicable agreement could not be reached, the property would not (*for local governments*) or could not (*for CHDOs*) be acquired by eminent domain.
 - Demonstrate that no specific site or property was designated for acquisition.
 - Demonstrate that property to be acquired was not part of an intended planned or designated project area where all or substantially all of the property within the area is to be acquired within specific time limits.
 - Demonstrate that the owner was informed of estimated Fair Market Value (FMV) of property.
 - Provide a signed copy of the Acquisition, Displacement and Relocation Plan.
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NOTE: The HOME Program Administration Manual is available online at:
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Section E

TENANT-BASED RENTAL ASSISTANCE (TBRA)

Program Description

- Describe your TBRA Program. Explain why TBRA is needed. Describe the community need(s) it meets?
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Marketing and Tenant Outreach

- Describe the number of available rental units in the targeted service area. The description should delineate the number of available apartments, duplexes, single-family homes, and any other housing available. Submit supporting documentation such as assessments or surveys from local Realtors, the local Chamber of Commerce, and landlords.
 - Describe your target population including who will use the program, where they will come from, and the size of the market.
 - Describe present and future marketing activities for your program. Describe the methods you intend to use to reach your target market. Will you use ads in local papers, hold an open house, or distribute flyers at social service agencies and/or employers? Describe where/how else you will advertise. Describe how else you will spread the word about the program.
 - Describe how non-discrimination and equal housing rules will be applied to the project in order to further Fair Housing, avoid discrimination in advertising and ensure accessibility to programs as defined by Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Act.
 - Describe the methods you will use to reach minority populations.
 - Describe where will applications be available and how will completed applications be submitted.
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Tenant Selection Criteria

- Describe the procedures for screening, intake and orientation of potential program participants.
- Describe your waiting list development process. Will you maintain your own waiting list or coordinate with the Section 8 waiting list? How often must tenants renew their TBRA application? Describe how changes to household income or composition will be documented. Explain what happens if the applicant does not renew his/her application within the defined period. May s/he reapply after being removed from the waiting list? Describe under what conditions the waiting list be can closed.
- Identify the income target for your program. Explain how you will ensure 90% of participants have incomes below 60% of AMI at any given time.
- Describe how you will determine income eligibility. For TBRA, the income definition must be the Part 5 definition (Section 8 annual gross income). Will the family need to recertify after a period on the waiting list? Describe your verification requirements. Will you use third party verifications from the tenants' employer(s), and/or review documents such as benefit award letters, pay stubs, bank statements? Will you accept personal certification for self-employed persons?
- Once TBRA has been granted, how long will the applicant have to locate an acceptable unit? If the applicant is unsuccessful, can an extension be granted? If so, for how long?
- Describe how TBRA recipients will be briefed on their rights and responsibilities. Will the briefing be conducted individually or in a group setting? Identify the key points to be covered in the briefing.

- Describe your briefing for owners who participate in the TBRA program. Identify the key points to be covered in this briefing.
- If you will provide tenants with services or access to services and training services beyond the TBRA to move them toward self-sufficiency, describe.

Program Administration and Monitoring

- Describe how you will coordinate your program efforts with other existing programs, including Section 8, to ensure that tenants receive the appropriate level of assistance and to avoid a tenant being subsidized for the same type of assistance but through different programs.
- Explain how you calculate the maximum subsidy calculation and the minimum subsidy calculation for either security deposit assistance or direct rental assistance. For rental assistance, identify the utility allowance that will be used. For security deposit assistance, will the funds be provided as a grant or loan to the tenant?
- Explain how you will ensure that HOME guidelines, including rent reasonableness, housing conditions, size requirement and lease approval are met. Describe how you will monitor HQS after initial occupancy. How often will units be inspected? Who will perform these inspections?
- Describe the occupancy guidelines to be used to determine the size of the unit for which the household qualifies. This is the unit size used to compute the tenant's subsidy.
- Describe how you will monitor the eligibility of the participating households. Describe under what conditions assistance can be terminated. Describe the process for terminating the assistance.
- If Lead-Based Paint was found upon inspecting the potential rental units, but not abated on the property, describe your plan for tenant notification and disclosure, annual monitoring and maintenance plan to ensure it is intact and does not pose a threat to occupants (i.e., not peeling and chipping). Describe your process for responding to a child with an elevated blood lead level.
(See Application Guidelines, Section III.L.)
- Describe how you will ensure that owners receive prompt and accurate payments.

Security Deposits (Complete this section if deposits are part of your program)

- Indicate that the amount given for the deposit will be less than two months' rent.
- Indicate if a tenant will receive both a security deposit assistance and rental assistance.
- Indicate if the tenant may use the security deposit in lieu of paying the last month's rent.
- Is the deposit retrieved by the grantee or is it returned to the tenant upon vacating the unit? If the deposit is returned to the tenant, identify the required length of time a tenant must live in a housing unit.
- If there is a plan for repayment of the security deposit by the tenant over a period of time, describe. (Note: Ownership of the funds may encourage the tenant to maintain the unit in good condition.)
- If the security deposit is paid back over time or retrieved upon vacancy, explain how this will be tracked. (Note: The funds will be program income.)

NOTE: If the funds are provided as a grant to the tenant with no repayment or retrieval process, a justification must be made to show that this procedure is a good use of limited public funds.

NOTE: The HOME Program Administration Manual is available online at:

http://housing.mt.gov/Hous_HM_Admin.asp

PART II – ON-GOING PROJECT MANAGEMENT AND COMPLIANCE PLAN

Single-Family Housing

- Describe how you will track the HOME-assisted homes and their status in the program.
 - Describe how you will verify annually that the property continues to be owner-occupied and used as the owner's principal residence.
 - Explain how you will verify the home has not been sold during the previous 12 months.
 - If the home has been sold, describe how you will ensure proper resale or recapture procedures are followed.
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Multi-Family Housing

PROJECT DESCRIPTION

- Provide a brief description of the proposed activity including the type of project or facility, the number of housing units to be provided and the target population of the project.
 - Describe the physical characteristics of the proposed site, the project design and how it meets the needs of the targeted population.
 - Describe the proximity of basic services to the project site, such as police, fire, emergency, medical, public transportation and social services. Indicate the location of the project in relation to commercial services, employment centers, transportation services, schools, parks and recreation, and social services.
 - Describe the length of commitment to the target population and the continued affordability of the assisted housing in terms of monthly rent and tenant income. **(See Application Guidelines, Section III.C.)**
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GENERAL ADMINISTRATION

- Describe the organizational structure of your management team. Describe the lines of authority, responsibility and accountability within the management entity.
- Outline the respective responsibilities of the owner and the managing agent. Are these responsibilities clearly defined so as not to overlap? Are they clearly assigned? Are all basic responsibilities covered? Describe the limits – managerial and financial – that are placed upon the agent's authority.
- Is there an on-site manager? Is there a management office on-site? What are the office hours?
- What are the anticipated staffing needs of the development? Describe the duties and responsibilities of each person. Is housing provided as part of the compensation package? Is continued occupancy conditioned upon employment? What wages/salary shall apply to each position?
- What regular hours of work will be observed by staff? Explain how management services will be provided while key staff is on vacation.

NOTE: Even if the Grantee intends to contract with a management services company, the above items still must be addressed.

PROPERTY MANAGEMENT STRUCTURE

- Describe your property management structure and philosophy. Indicate if your organization will self-manage the project, retain a professional management company, or create a hybrid structure in which the organization provides the on-site services and the property management is responsible for the day-to-day operations of the project.

MARKETING STRATEGY

- Identify the market area to be served by the project. Describe the surrounding market including population characteristics, occupancy and market trends.
- Indicate what other rental projects would be considered competition to this development.
- Describe your target population including who will live in the project, where they will come from, and the size of the market. Include information detailing existing housing and economic conditions. Summarize or cite evidence from public sources to document the need.
- Describe how the property will be marketed to attract a sufficient number of persons subject to the income restrictions of this property. Describe the methods you will use to reach your target market. For example, will you run ads in local papers, distribute flyers at social service agencies or employers, hold an open house, etc.? Describe the marketing techniques that will be used to inform the minority population of the availability of housing.
- Describe how non-discrimination and equal housing rules will be applied to the project in order to further Fair Housing, avoid discrimination in advertising and ensure accessibility to programs as defined by Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Act.
- Projects involving 5 or more HOME-assisted units (excluding TBRA projects) must have an approved Affirmative Fair Housing Marketing (AFHM) Plan as required by HUD. Describe what entity will develop and implement the AFHM Plan during project development and through the required period of affordability. (See [Chapter 5](#) and Exhibits [5-K](#) and [5-L](#) of the HOME Administration Manual for more information).

RESIDENT SELECTION

- Describe your application process or waiting list development. Explain how information and rental applications are to be made available to the public before the opening of the development.
- Define the income restrictions. Explain how you define income. (If a definition other than the Part 5 (Section 8) definition is used, HOME staff approval is required.)
- Describe how you will verify the family's income. Specifically, describe what third parties you will contact to verify income and/or what source documents you will utilize. Explain how often either source documents will be verified or third parties contacted.
- Describe the tenant selection criteria to be used. Indicate if there is a resident selection committee. Is this selection subject to review? If so, describe by whom and under what conditions. Describe the appeal process for rejected applications.
- Explain the policy that governs the assignment of family size and composition to the various types of dwelling units in the development. Describe the minimum and maximum occupancy standards.
- Indicate the application fees or earnest money deposits that will be required of applicants. Describe how these fees or deposits will be applied. Will you require references from previous landlord/property manager, employer, or personal references? If you will accept alternative

forms of credit for persons without a credit history such as timely medical, utility or rental payments, describe. Will you do a criminal background check?

- Describe how the rental staff will be instructed in local, state and federal fair housing laws, the Civil Rights Act of 1968, ADA, and Section 504 (if applicable).

RENT STRUCTURE/LEASE AGREEMENT

- Identify the rents for each type of unit. Do they vary according to income? For example, are the rents fixed or adjusted to reflect a percentage (less than or equal to 30 percent) of tenants' income. Identify your utility allowance and how was it determined. Describe how you will ensure that at least twenty percent of the HOME-assisted units have low HOME rents while the remaining HOME-assisted units have high HOME rents. **(See Application Guidelines, Sections IV.A.1. and 2.)**
- If your project contains both HOME-assisted and non-HOME-assisted units, specify whether HOME-assisted units will be fixed or floating as well as the size of the units and amenities.
- Describe your rent collection policies. For example, explain when and how a tenant can pay his/her rent. Will you accept cash or money orders? By when must rent be paid? Are there late fees? When do they commence?
- Describe your security deposit, pet deposit (if pets are allowed-note: service or comfort animals are NOT pets), cleaning deposit or other deposit requirements. Describe the conditions under which they will be refunded. Identify any portion that is nonrefundable. Explain how you assess damage to units.
- Identify the minimum lease period. (A lease period less than one year requires mutual agreement between the owner and the tenant.)
- Describe your move-in and move-out policies. How much notice must a tenant provide before moving out? Describe the orientation materials or services that will be provided to acquaint tenants with the project.
- Describe your process for determining rent increases and informing tenants. What is the maximum percentage increase that can occur in a twelve-month period? Will increases be assessed annually or semi-annually? Describe how you will ensure tenants receive at least a 30-day notice.
- Describe the resident policies. For example, describe property rules regarding topics such as noise, pets, overnight or extended-stay guests, parking, use of community facilities, and maintenance of the unit.
- Describe the conditions under which a tenant may be evicted or be denied lease renewal. Identify how much notice will be provided to a tenant before eviction.
- Describe the measures that will be taken to protect the confidentiality of personal data on the tenant or applicant.
- Explain how you will ensure the lease does not contain prohibited terms. **(See [Chapter 7](#), Section III.B of the HOME Administration Manual for a list of prohibited lease terms).**

RENT MANAGEMENT

- Indicate what procedures will be used during and after rent-up to ensure that the applicable percent of the dwelling units are leased to families or individuals at appropriate income levels.
- Identify who will be responsible for performing the income certification and recertification functions. Explain the steps that will be followed to ensure that recertifications are performed on

schedule. If these functions will be performed by a management company, identify who will provide oversight to ensure HOME regulations are met.

- Explain how you address over-income tenants.
- Explain how you will ensure that the project's rents comply with HOME regulations in addition to the requirements of other funding sources, e.g., LIHTC, RD, project-based Section 8, the FHLB, etc.

TENANT-MANAGEMENT RELATIONS

- Explain how tenant complaints or grievances will be handled.
- If there is community space in the project (community room, laundry area), explain how it will be utilized and what rules will govern its use. Is it available to the public at large for a fee or solely for the use of the tenants? Provide details.
- Will the managing agent assist the tenants, if requested, in establishing and maintaining a resident organization? Provide details.
- Describe the management's plan for delivering community/resident services within the development, if applicable.
- Identify required or optional resident services available such as laundry, housekeeping, counseling, meals, health care, education, employment services, or childcare. If available, is the cost subsidized through other sources, or paid separately by tenants? Describe how the costs are paid for and/or subsidized.
- If support services are required for the target population, identify how these support services will be provided. Identify the resources that will pay for these services.

FINANCIAL MANAGEMENT OF THE PROPERTY

- Describe the structure and detail of the project financing. Describe the special conditions or requirements of each source of financing. Describe how you will ensure compliance with each source of funding. Discuss specifically how HOME restrictions interact with other programs such as Low Income Housing Tax Credits and/or project-based rental assistance from HUD or RD, regarding income restrictions and periods of affordability.
- Describe your accounting/bookkeeping systems. Describe the accounting controls that will be employed to protect against losses of rental income.
- Are all operating funds maintained by the management company? If not, identify the other entity that maintains operating funds.
- Explain how frequently you will prepare property status reports and identify who will review them.
- Identify who will prepare the annual operating budget. Describe how it is approved.
- Describe your insurance requirements for the property and identify how often you will review your coverage.
- Describe type and level of security service to be provided for this development, if applicable.
- On developments/units expected to be eligible for federal tax credits, specify how the utility allowances for each unit will be determined. Explain how often and by what means they will be updated.

PROPERTY MAINTENANCE AND REPAIR PROGRAM

- Describe the physical property – size, number of units, standard equipment in each unit and age of the equipment including appliances, HVAC and security systems.
- An HQS inspection is required annually. Explain how you will ensure this will be completed. Identify who will perform the inspection. Explain how that person became or will become qualified to perform the HQS inspection. Explain how this inspection will be coordinated with other inspections and monitoring visits to prevent burdening the tenant.
- Explain your scheduled maintenance for systems to insure compliance with all federal, state and local requirements.
- If Lead-Based Paint was found, but not abated, on the property, describe your plan for tenant notification and disclosure, and annual monitoring and maintenance plan to ensure it remains intact and does not pose a threat to occupants (i.e., not peeling and chipping). Describe your process for responding to a child with an elevated blood lead level.
- Describe your maintenance and repair procedures. Explain how tenants can request a repair during business hours. Explain how they report an emergency after hours. Specify your period for addressing routine maintenance requests and for emergency maintenance requests. Explain how the work quality of repairs is controlled.
- Explain how maintenance services will be provided. Is there an on-site maintenance person or are the services contracted? Identify how often the contracts are renewed or reevaluated.
- Describe the policy for clearing the sidewalks and parking areas of snow or leaves. Explain how these will be reviewed against applicable town, city, or county ordinances to ensure compliance. Identify the schedule for cleaning entryways, halls and other common areas.
- Describe the procedures to control the purchase of equipment, supplies and repairs. Define the limitations of the property manager without owner authorization.
- Describe the procedures to inventory maintenance equipment, parts and supplies.
- Describe procedures that will be used in inspecting dwelling units before move-in, while occupied, and before vacating the unit. Describe how the tenant will be notified and how much notice will the tenant receive.
- Explain how charges for tenant damages will be billed and collected.
- Specify the schedule for interior and exterior painting and decorating. Describe the procedures that will be employed in preparing vacant units for new tenants.

NOTE: The HOME Program Administration Manual is available online at:

http://housing.mt.gov/Hous_HM_Admin.asp

PART III – PROGRAM INCOME/CHDO PROCEEDS PLAN

Instructions: Complete only the section applicable to your project.

SINGLE-FAMILY HOUSING

Submit a Program Income Plan or CHDO Proceeds Plan

- Describe the scenario that will create program income/CHDO proceeds for your program.
- Describe, in detail, how you will track that program income/CHDO proceeds. Identify who will be responsible for this tracking. Describe tools that person will utilize to track program income/CHDO proceeds.
- Describe for what HOME-eligible activities the program income/CHDO proceeds will be used. Describe how you will ensure the funds are spent in a timely manner.
- Describe your plan for tracking where income/proceeds goes, the length of that period of affordability, and reporting requirements.

CHDO Proceeds Notes

- If a CHDO has developed the single family housing, any return(s) would be CHDO proceeds. Homebuyer assistance projects that do not involve housing development generate program income rather than CHDO proceeds when conducted by a CHDO.
- CHDO proceeds may be used for a wide range of activities.
- Once CHDO proceeds have been used once, reporting requirements to the HOME Program cease.

MULTI-FAMILY HOUSING

Submit a Program Income Plan or CHDO Proceeds Plan

- Describe the scenario that will create program income/CHDO proceeds for your program.
- Describe, in detail, how you will track that program income/CHDO proceeds. Identify who will be responsible for this tracking. Describe tools will that person utilize to track program income/CHDO proceeds.
- Describe for what HOME-eligible activities the program income/CHDO proceeds will be used. Describe how you will ensure the funds are spent in a timely manner.
- Describe your plan for tracking the income/proceeds, the length of that period of affordability, and reporting requirements.

CHDO Proceeds Notes

- CHDO proceeds may be used for a wide range of housing activities.
- Once CHDO Proceeds have been used once, reporting requirements to the HOME Program cease.
- CHDO proceeds are not generated for projects developed and owned by a CHDO when the CHDO is the grantee. Program Income is not generated when the grantee is a local government but not the project owner. However, when a grantee (CHDO or local government) sponsors a HOME grant on behalf of a project owner and provides the HOME funds in the form of a loan, the return and interest on the funds are CHDO proceeds or Program Income, as applicable.

TENANT BASED RENTAL ASSISTANCE (TBRA)

Submit a Program Income or CHDO Proceeds Plan

- TBRA will only generate program income if the TBRA program includes security deposits, and those deposits (or a portion of them) are returned to the program.
- If applicable, describe the scenario that will create program income for your program. Describe, in detail, how you will track that program income. Describe for what HOME-eligible activities the program income will be used. Describe your plan for tracking where that income goes, the length of that period of affordability, and reporting requirements.

NOTE: The HOME Program Administration Manual is available online at:

http://housing.mt.gov/Hous_HM_Admin.asp